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Ministry of
Consumer and
Commercial
Relations

Personal
Property
Registration
Central
Office

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Toronto, Ontario
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DEBTOR NAME ENQUIRY GUIDE

Government
Publications

FOR
THE PERSONAL PROPERTY
SECURITY REGISTRATION SYSTEM

This Guide applies effective April 1, 1976

The information contained in this Guide
has been set out for convenience only.

For accurate reference, recourse should be had
to the legislation and the Regulations.



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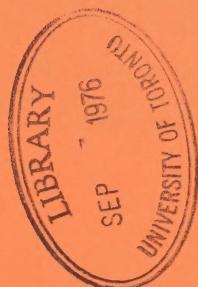
PREFACE

The purpose of this guide is to outline the procedure to be followed to make an enquiry into the personal property security registration system.

The purpose of the debtor name enquiry service is to provide a means whereby a person who is intending to purchase personal property or to lend money on the security of personal property can determine whether the owner has pledged the property as security for a debt (and the security interest has been perfected by registration).

The system is a centralized computerized system that replaced a decentralized manual system. Under the decentralized system, a person requiring province-wide information had to go to all 48 branch offices of the system and search through manually prepared index books that were only nominally alphabetically indexed. Under the centralized system, the person requiring the information need only contact the central office (by writing or by telephone) where the information is recorded on a computer file and - if the enquiry is placed by telephone - the person can be provided with the information on the telephone.

Business hours for telephone enquiry purposes are 10:00 A.M. to 4:00 P.M. Central Office (Toronto) time.



FOREWORD

A financing statement or financing change statement to be registered in the system may be tendered for registration,

- (a) by personal delivery to any branch office; or
- (b) by mail addressed to an address fixed by the regulations,

and the registration is effective from the time assigned to the registration.

As of the date of this guide, a financing statement or financing change statement tendered for registration by personal delivery to a branch office will, if accepted, be assigned a current registration time and subsequently be forwarded to the central office to be recorded in the system. There will be a time lag between the time assigned to the registration and the time it is recorded in the system. It is the Ministry's intention to endeavour to reduce this time lag to a minimum - to have all the registrations made on any given business day recorded in the system by 10:00 A.M. the next business day, ready for enquiry purposes. This means therefore that a person who takes no step to protect himself and relies on the information provided by the system may find that a registration has been made after the file currency date but is not yet recorded in the system.

There are a number of ways the Ministry could eliminate the time lag. The Ministry could, for example, eliminate registrations at the branch offices; assign post dated registration times at the branch offices; provide direct communication from the branch offices to the central office (and record registrations "instantly"). Until the problem is eliminated, a person must either accept the risk or take steps to protect himself. To protect himself,

- (a) a lender could close a transaction (completing registration at a branch office) but not advance funds until a search on the next business day has been made that discloses only his and other known registrations, or
- (b) a purchaser could close a transaction with all documentation, etc., being held in escrow until a search on the next business day has been made that discloses only known registrations.

WHAT ARE THE BASICS OF THE SYSTEM?

In order to conduct an enquiry, the enquirer must understand the basics of the system.

To perfect a security interest by registration, the secured party or his agent must prepare a financing statement and submit it for registration. After registration, the original copy of the financing statement is forwarded by the branch office to the central office where the information on the financing statement is transcribed onto a computer file and indexed under the name of the debtor. There are two indices. The name of an individual person as it appears on line 02 or 05 on the financing statement is indexed in the individual debtor index. The information as it appears on line 03 or 06 on the financing statement is indexed in the business debtor index.

Where a financing change statement (form 2B or form 3B) is registered, it is referenced to the financing statement by the registration number shown on line 52 (form 2B) or line 33 (form 3B). Therefore, if the correct "reference" registration number has been shown in the financing change statement, an enquiry response will include the information not only on the registered financing statement but also on all registered financing change statements referenced thereto.

HOW IS AN ENQUIRY HANDLED?

An enquiry can be made in writing or by telephone. The basic method of enquiry and response is by telephone. The call is answered in the central office by an operator sitting before a computer terminal. The particular computer terminal is a television display screen to which a keyboard is attached. When the enquirer identifies to the operator the details of the enquiry, the operator will enter the name to be searched into the computer via the keyboard. If there are registrations on file, the details will appear on the screen, one "page" at a time, and the operator will inform the enquirer of the information that is recorded.

In order to be able to fully understand the information given by the operator, it is important to be familiar with the terminology used and with the format of the financing statement and financing change statements. For example, the operator may advise that the collateral classification is consumer goods. It is assumed first of all, that the meaning of collateral classification and of consumer goods is understood. It is also assumed that it is understood the operator is only reporting what is shown on the screen. Therefore, become familiar with the terminology and with the forms (or have forms before you as you make the enquiry).

WHAT ARE THE METHODS OF ENQUIRY?

There are three methods for making an enquiry.

Methods #1 and #2 are telephone enquiries.

Method #3 is by written request.

ENQUIRY METHOD #1: BRANCH OFFICE ENQUIRY (TELEPHONE)

An enquiry can be made at any one of the 48 branch offices of the registration system. Upon completion of the Enquiry Request Form and payment of the proper fee, the branch office will place the call to the central office and initiate the enquiry. When appropriate, the branch office clerk will turn over the call to the enquirer for completion.

ENQUIRY METHOD #2: DEPOSIT ACCOUNT ENQUIRY (TELEPHONE)

A deposit account can be established with the central office of the registration system. Thereafter the account holder may make enquiries from any telephone. The proper fee for the enquiry will automatically be debited from the amount in the account at the time of enquiry. For further information, send for the Deposit Account Guide (see Appendix "C").

ENQUIRY METHOD #3: WRITTEN ENQUIRY

A person may write to the central office giving the name to be searched, identifying the type of search to be made and the type of response required, enclosing a cheque (payable to "Treasurer of Ontario") for the proper fee.

WHAT ARE THE TYPES OF SEARCHES?

There are three types of searches.

SEARCH TYPE #1: INDIVIDUAL SPECIFIC

To perfect a security interest against an individual person by registration, the Regulations require that the financing statement must be completed to show, on a line designated for individual debtor, the following information in respect of the individual:

First given name,
Initial of second given name, if any,
Surname, and
Date of birth.

An enquiry that is made against all of the above information is called an individual specific search. Only those registrations are reported in which the name of the debtor is recorded **exactly** as given by the enquirer.

Note #1: The Regulations provide that where a registration is a caution filing or transition filing, it is not mandatory to set out the date of birth of an individual person. All such registrations in which no date of birth is shown, will be reported.

Note #2: Where the name to be searched is given as having no initial for the second given name, only those registrations are reported in which the name of the debtor is recorded as having no initial.

This type of search will not disclose a registration in which the name or date of birth - except as noted above - have not been set out in the financing statement in strict compliance with the Regulations. In particular, it should be noted that a registration,

- (i) will **not** be reported where the date of birth has been set out incorrectly (even if it is incorrect by only one day), and
- (ii) will **not** be reported where the initial has not been set out (or where the wrong initial has been set out).

SEARCH TYPE #2: INDIVIDUAL NON-SPECIFIC

This type of search is offered as an alternative to the specific search to solve some of the problems associated with date of birth and initial. The information required is:

First given name, and
Surname.

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Only those registrations are reported in which the first given name and the surname are described **exactly** as given by the enquirer.

Note #1: All registrations will be reported regardless of the date of birth that is recorded (or if no date of birth is recorded).

Note #2: All registrations will be reported regardless of the initial of the second given name that is recorded (or if no initial of the second given name is recorded).

The disadvantage of this type of search is, where the name of the individual is a common name, many "duplicates" must be anticipated.

SEARCH TYPE #3: BUSINESS DEBTOR

Only one type of search is offered in respect of a business debtor. It is a generalized type of search. A generalized search is provided because there is no standard in the business community for describing an unincorporated business. For enquiry purposes, a special index key is created for names entered as business debtors. The index key is designed to provide a response that will include not only the name searched upon, but also additional names which appear (to the system) to be similar.

WHAT ARE THE TYPES OF RESPONSES?

There are three types of responses.

RESPONSE TYPE #1: CERTIFICATE

The Personal Property Security Act provides:

"Upon the request of any person and upon payment of the prescribed fee the registrar shall issue a certificate stating whether there is registered at the time mentioned in the certificate a financing statement or financing change statement the registration of which is still effective in which the person named in the certificate is shown as a debtor and, if there is, the registration number of it, and any other information recorded in the central office of the registration system."

The Personal Property Security Act provides for the establishment of an Assurance Fund against which, under certain conditions, a claim can be made by a person who suffers loss or damage as a result of his reliance upon a certificate that is incorrect because of an error or omission in the operation of the system of registration, recording and production of the certificate.

A certificate may be obtained either by written enquiry or by telephone enquiry.

RESPONSE TYPE #2: UNCERTIFIED PRINTED RESPONSE

The uncertified printed response is "equivalent" to a verbal response. It is provided,

- (i) in response to a written enquiry where the enquirer does not wish a certificate;
- (ii) on a telephone enquiry where there are too many registrations on file to be handled verbally on the telephone; and
- (iii) on a telephone enquiry where the enquirer does not wish to spend the time on the telephone taking notes of the registrations that are recorded.

A claim cannot be made against the Assurance Fund where the response is an uncertified printed response. (There are two reasons: i) the Act provides that a claim can be made only when a certificate has been issued and, ii) on a business debtor enquiry the enquirer can select the registrations that will appear in the response.)

RESPONSE TYPE #3: VERBAL RESPONSE

If the enquiry is made by telephone, the enquirer can request that the operator verbally report the information that is recorded. The response will depend upon certain conditions:

- (i) Where the search type is INDIVIDUAL SPECIFIC, the verbal response will include all registrations that are recorded - regardless of the number that are recorded.

-
- (ii) Where the search type is INDIVIDUAL NON-SPECIFIC, there is a likelihood there will be a number of registrations on file that will match the enquiry details (i.e., first given name and surname). Where the number of "matches" is,
 - a) less than a certain minimum - and the minimum may have to be changed from time to time as circumstances dictate - the system will report all registrations that are recorded,
 - b) more than the minimum but less than the maximum in clause (c), the system will provide the enquiry operator with a list of names that are recorded ("index screen") and the enquiry operator will ask the enquirer to assist in selecting the names that may be relevant. The additional information in the index screen is : whether the debtor is male or female; initial of debtor's second given name, if any; street address of the debtor; municipal address of the debtor; name of the secured party ; and, date of birth of the debtor. It will save you time if you anticipate the possibility of this occurring and thus be able to inform the operator which of the additional information will assist you in making a selection, or
 - c) exceeds a certain maximum - and the maximum may have to be changed from time to time as circumstances dictate - the enquiry operator will not be able to provide any details of any registrations - the system will prepare a printed uncertified response ("high volume printout"). It will save your time if you anticipate the possibility of this occurring and thus be able to inform the operator of the name and mailing address to which the printed response is to be sent. You can ask the operator to "cancel the print" if you decide that it will not provide you with worthwhile additional information.
 - (iii) Where the search type is BUSINESS DEBTOR there is a likelihood there will be a number of registrations on file that will match the enquiry details because of the generalized type of search provided. Therefore, the system will either,
 - a) provide the enquiry operator with a list of names that are recorded against the index key. Some of these names may appear to be obviously not relevant; some may appear to have some relevance; and, some may appear to be obviously relevant. The choice is the enquirer's. The enquiry operator will ask the enquirer to indicate those names that may be relevant, or
 - b) not provide any details of any registrations - but will prepare a printed uncertified response ("high volume printout"). It will save your time if you anticipate the possibility of this occurring and thus be able to inform the operator of the name and mailing address to which the printed response is to be sent. You can ask the operator to "cancel the print" if you decide that it will not provide you with worthwhile additional information.

A claim cannot be made against the Assurance Fund where the response is verbal (or where the response is a high volume printout).

APPENDIX "A"

EXAMPLE ENQUIRY DIALOGUE (Deposit Account Enquiry)

E = Enquirer

O = Operator (in the central office of the personal property security registration system)

O : (answers telephone) Personal Property Enquiry.
May I help you?

E : This is the Bank of Ontario calling. I'd like to make one enquiry.

O : Your account number please.

E : 0001-755

O : Your password please.

E : BOA147K.

O : Type of enquiry?

E : Individual Specific.

O : May I have the name and date of birth to be searched.

E : William J. Smith. Birthdate, January 10, 1944.

O : Response type?

E : Verbal.

O : I would like to confirm the above information.

Account number: 0001-755

Password: BOA147K

Type of enquiry: individual specific

The name to be searched is:

William

initial - J as in John

Smith - that's S as in Susan, M as in Mary, I as in Island, T as in Tennis, H as in Henry

Response type: verbal

O : Is that Correct?

-
- E : Yes, that is correct.
- O : The first screen shows a financing statement registered on November 5, 1974. The sequence number is 1012. Is there any particular information that you wish?
- E : I would like all of the information.
- O : The debtor is William J. Smith. Male. Date of birth, January 10, 1944. The address is 12 Amber Road, Rainy River, Ontario. Another debtor is a business debtor, with the name Smith Enterprises. The address is 115 Main Street, Rainy River, Ontario. The secured party is Bank of Ontario, 121 Main Street, Rainy River, Ontario. The collateral classification is equipment; a motor vehicle is included; the principal amount secured is \$1565; and there is no fixed date of maturity. A motor vehicle is described on line 11 as a 72 Impala; serial number 72B as in Bob, 1198A as in Adam, P as in Peter, 6613. General collateral is described on line 13 as: office machines. The registering agent is: Brown and Black, 312 Water Street, Rainy River, Ontario. The next screen is an amendment, registered on the 2nd of January 1974; sequence number 1115. The record to be amended is identified as sequence number 1012 and the debtor named is Smith Enterprises. Line 9 is amended. The original line reads: 121 Main Street, Rainy River, Ontario. The amended line reads 12 King Street, Rainy River, Ontario. The reason given for the amendment is: the secured party address is changed. That's all the information relating to that registration. There are no other registrations. May I consider this enquiry concluded?
- E : Yes. Thank you.
- O : Thank you.

APPENDIX "B"

FEES SCHEDULE

1. In this Schedule,

"document" means a document registered before The Personal Property Security Act came into force, i.e., a chattel mortgage registered under The Bills of Sale and Chattel Mortgages Act, a contract registered under The Conditional Sales Act or an assignment of book debts registered under The Assignment of Book Debts Act; and

"statement" means a financing statement, financing change statement or financing change statement-amendment.

2. The fees to be paid in respect of the following matters are:

1. For registration of a statement	\$ 3.00
2. For a search (verbal response or printed uncertified response)	2.00
3. For a registrar's certificate (certified response)	10.00
4. For production of a document for inspection at the branch office where it is registered (including production of the branch office copy of the statement relating thereto)25
5. For a copy of a document and statement relating thereto at the branch office where it is registered for each page required (including production of the document)50
6. For production of the central office copy of a statement for inspection	5.00
7. For a copy of the central office copy of a statement (not including production of the statement)	1.00
8. For certifying a copy to which item 5 or 7 applies50

APPENDIX "C"

The following is a list of the guides that are available. They may be obtained at any branch office or from the central office. The guides are provided free of charge.

If you request a guide to be sent to you by mail, please direct your request to the Central Office and for each guide, provide a separate return envelope, minimum size 10" x 13", **self addressed**, with sufficient **return postage**.

POSTAGE

1.	Registration Guide	32c
2.	Debtor Name Enquiry Guide	20c
3.	Deposit Account Guide	20c

If you wish all three guides to be sent to you by mail, one return envelope, minimum size 10" x 13", will suffice and the postage required is 44c.

APPENDIX "D"

BRANCH FILING OFFICES

(AS PER "BRANCH OFFICE" CODE SHOWN IN THE REGISTRATION NUMBER)

- 01 Barrie; Simcoe (C)
02 Belleville; Hastings (C)
03 Bracebridge; Muskoka (R)
04 Brampton; Peel (R)
05 Brantford; Brant (C)
06 Brockville; Leeds & Grenville (C)
07 Cayuga; Haldimand (J)
08 Chatham; Kent (C)
09 Cobourg; Northumberland (C)
10 Cochrane; Cochrane (D)
11 Cornwall; Stormont, Dundas & Glengarry (C)
12 Fort Frances; Rainy River (D)
13 Goderich; Huron (C)
14 Gore Bay; Manitoulin (D)
15 Guelph; Wellington (C)
16 Haileybury; Timiskaming (D)
17 Hamilton; Hamilton-Wentworth (R)
18 Kenora; Kenora (D)
19 Kingston; Frontenac (C)
20 Kitchener; Waterloo (R)
21 Lindsay; Victoria (C) and Provisional County of Haliburton (C)
22 London; Middlesex (C)
23 L'Original; Prescott & Russell (C)
24 Milton; Halton (R)
25 Napanee; Lennox & Addington (C)
26 North Bay; Nipissing (D)
27 Orangeville; Dufferin (C)
28 Ottawa; Ottawa-Carleton (R)
29 Owen Sound; Grey (C)
30 Parry Sound; Parry Sound (D)
31 Pembroke; Renfrew (C)
32 Perth; Lanark (C)
33 Peterborough; Peterborough (C)
34 Picton; Prince Edward (C)
35 Thunder Bay, Thunder Bay (D)
36 St. Catharines; Niagara North (J)
37 St. Thomas; Elgin (C)
38 Sarnia; Lambton (C)
39 Sault Ste. Marie; Algoma (D)
40 Simcoe; Norfolk (J)
41 Stratford; Perth (C)
42 Sudbury; Sudbury (D)
43 Toronto; York (J)
44 Walkerton; Bruce (C)
45 Welland; Niagara South (J)
46 Whitby; Durham (R)
47 Windsor; Essex (C)
48 Woodstock; Oxford (C)
88,89,90 Central Registration Branch (Mailed-in Registrations)

(C) County

(D) District

(R) Regional or District Municipality

(J) Judicial District

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